



**STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097**

Board of Land and
Natural Resources
State of Hawaii
Honolulu, Hawaii

ISSUANCE OF HANGAR FACILITIES LEASE TO JOHN F. O'TOOLE
KALAELOA AIRPORT, ISLAND OF OAHU, STATE OF HAWAII

OAHU

REQUEST:

Issuance of Hangar Facilities Lease to John F. O'Toole at Kalaeloa Airport for the operation and maintenance of an existing general aviation hangar facility; and the conduct of general aviation activities at Kalaeloa Airport.

APPLICANT / LESSEE:

John F. O'Toole, a sole proprietor, whose post office address is 3027 Pualei Circle #318, Honolulu, Hawaii 96815

LEGAL REFERENCE:

Subsection 171-59(b), Hawaii Revised Statutes

LOCATION AND AREA:

Portion of Kalaeloa Airport, Ewa, Island of Oahu, identified by Tax Map Key: 1st Division, 9-1-13: Portion of 32

AREA:

Space No. JRF-407-110A, containing a land area of approximately 2,500 square feet of improved, paved general aviation land, as shown and delineated on the attached map labeled Exhibit A.

ZONING:

State Land Use District: Urban
City and County of Honolulu: P-2 (To be rezoned in the future)

LAND TITLE STATUS:

Non-ceded land acquired from the U.S. Government by the State of Hawaii after Statehood.

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ☐ NO ☒

CURRENT USE STATUS:

Land presently encumbered by Governor's Executive Order No. 3861, setting aside Kalaeloa Airport under the control and management of the Department of Transportation, Airports Division, State of Hawaii, for Airport Purposes.

CHARACTER OF USE:

1. Operation, and maintenance of an existing general aviation hangar facility; and
2. Conduct commercial general aviation activities

TERM OF LEASE:

Twenty (20) years

MINIMUM IMPROVEMENTS REQUIREMENT:

\$100,000.00

LEASE COMMENCEMENT DATE:

Upon execution of the documents.

ANNUAL GROUND LEASE RENTAL:

First (5)-Year Period (lease years 1 through 5): For the first five (5) years of the Lease term, beginning upon the commencement date of the Lease, Lessee shall pay to State, an annual rental in the sum of \$1,475.00, payable in quarterly installments, in advance,

based upon a ground lease rental rate of \$0.59 per square foot per annum for improved, paved general aviation land at Kalaeloa Airport.

Second (5)-Year Period (lease years 6 through 10): For the second five (5) years of the Lease term, beginning upon the first day of the sixth (6th) year of the Lease, LESSEE shall pay to State, an annual rental in the sum of \$1,696.25, per annum, payable in quarterly installments, in advance, based upon the product of the annual rental for the fifth (5th) year of the lease term (\$1,475.00) and 115%.

Fourth (5)-Year Period (lease years 16 through 20): For the remaining five (5) years of the Lease term, beginning upon the first day of the sixteenth (16) year of the Lease, LESSEE shall pay to STATE an annual rental of 115% times the annual rental for the last year of the immediately preceding five-year period.

REOPENING OF ANNUAL GROUND LEASE RENTAL:

For the third (5) years of the Lease term, upon the first day of the eleventh (11th) year of the Lease, the annual rental shall be determined separately when due at the time of reopening, in accordance with the provisions of Section 171-17, Hawaii Revised Statutes, relating to Appraisals, by an independent real estate appraiser whose services shall be contracted for and paid by the Department of Transportation.

PERFORMANCE BOND:

Sum equal to the annual lease rental in effect.

PROPERTY CHARACTERISTICS:

Utilities: All utilities are available at the site.

Improvements: John F. O'toole desires to operate and maintain an existing general aviation hangar facility on the proposed leased premises.

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

Pursuant to Section 11-200-8(a), Environmental Impact Statement Rules of the Department of Health, State of Hawaii, this disposition is exempt from requirements regarding preparation of an environmental assessment, negative declaration, or environmental impact statement as required by Chapter 343, Hawaii Revised Statutes, as amended, relating to Environmental Impact Statements, because the proposed action falls within Exemption Class #1, Comprehensive Exemption List for the State of Hawaii,

Department of Transportation dated November 15, 2000, as approved by the Environmental Quality Council. Exemption Class #1 covers operations, repairs, or maintenance of existing structures, facilities, equipment, or topographical features involving negligible or no expansion or change of use beyond that previously existing.

REMARKS:

In accordance with Section 171-59(b), HRS, relating generally to Management and Disposition of Public Lands and relating specifically to Disposition by negotiation, the Department of Transportation proposes to issue a direct lease to John F. O'Toole, a sole proprietor, for the purpose of (1) operating and maintaining an existing general aviation hangar facility and other related accessory improvements; and (2) conducting commercial general aviation activities at Kalaeloa Airport.

RECOMMENDATION:

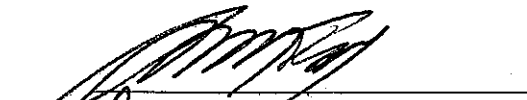
That the Board authorize the Department of Transportation to issue a direct lease to John F. O'Toole, a sole proprietor, subject to (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval of the Department of the Attorney General as to the lease form and content.

Respectfully submitted,

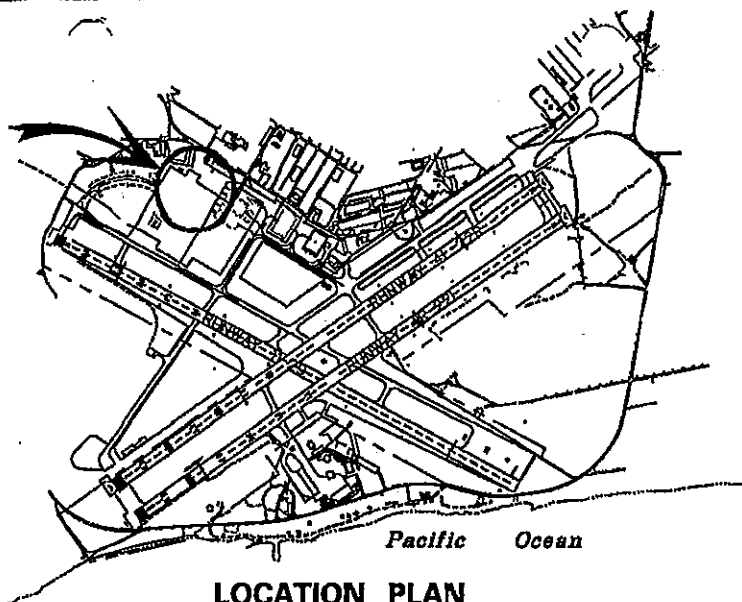


BRENNON T. MORIOKA, Ph.D., P.E.
Director of Transportation

APPROVED FOR SUBMITTAL:

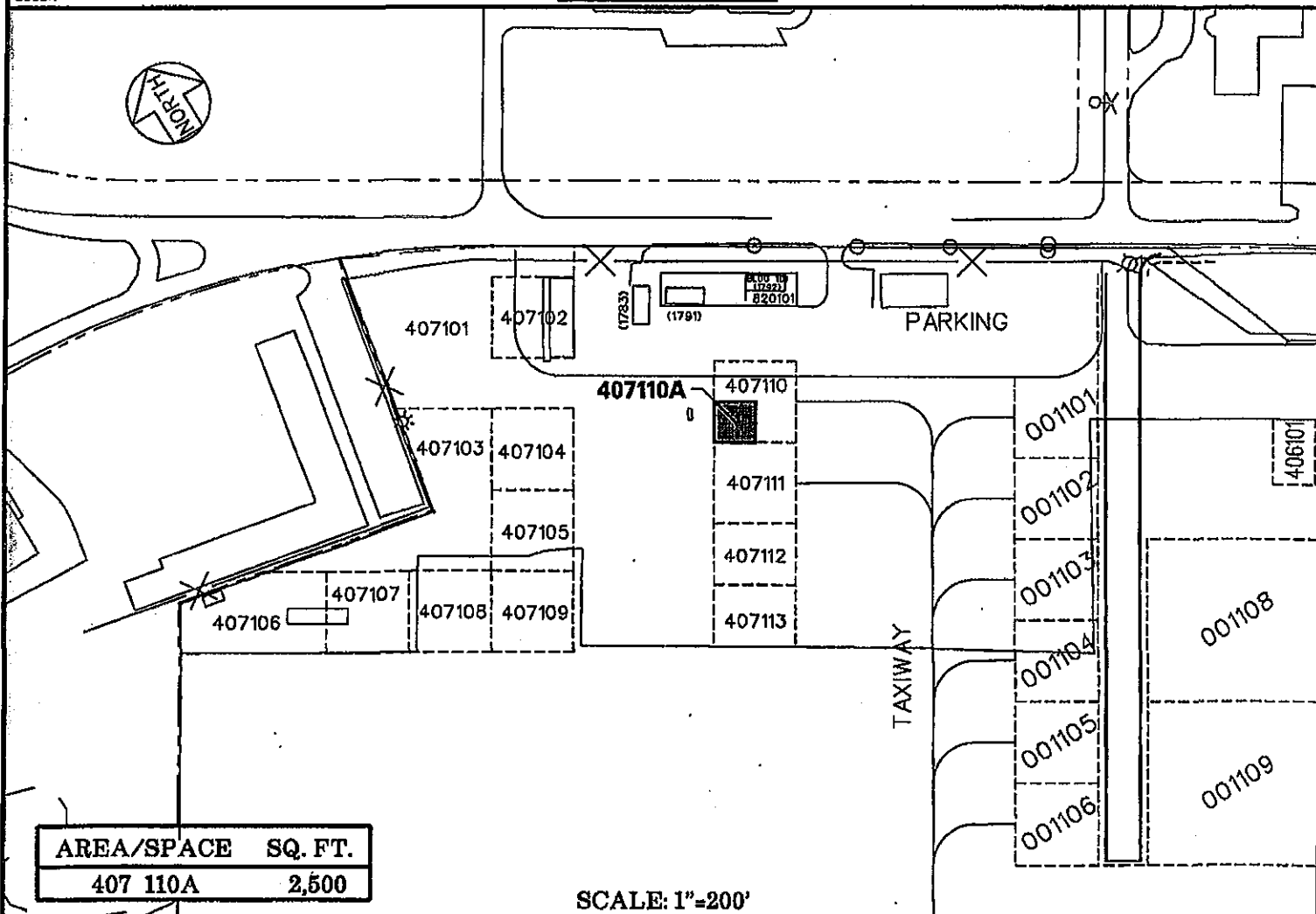


LAURA H. THIELEN
Chairperson and Member



30001

LOCATION PLAN



DATE: SEPTEMBER 2009 EXHIBIT: **A**



Airports Division

JOHN O'TOOLE

HANGAR LOTS

407110A

KALAELOA AIRPORT

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